

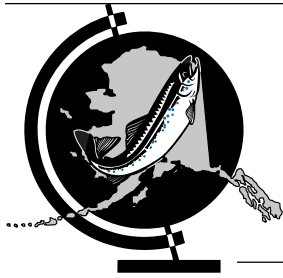


Proceedings of the

Alaska Salmon Forum '99

March 12-13, 1999
Anchorage, Alaska

Sponsored by
Governor Tony Knowles'
Salmon Cabinet



Alaska Salmon Forum '99

September 1999

Dear Salmon Forum Participants

Now that the salmon season is over, we hope you'll take the time to read and reflect upon the discussion at Salmon Forum 99. Salmon Forum 99 Proceedings captures the essence of two days of intense industry discussion on marketing, fish transport, fleet reduction and industry relations. The last few pages present the challenges and goal statements that emerged from these discussions. Though these summaries are useful, what is lacking is a sense of closure or direction for the affected parties. It was difficult to achieve this given such a large Forum agenda. As the Sounding Board we are stepping forward to fill this gap. Based on the challenge and goal statements and our collective participation in the Forum discussion, we have identified the most important items to be addressed in the next few years. Here are our suggested assignments (not in priority order):

INDUSTRY AS A WHOLE

1. Form a coalition for an industry-wide united voice in Juneau and Anchorage. The focus would be to help decision-makers and urban residents recognize the importance of the seafood industry to all of Alaska. The coalition would:
 - aggressively support and defend a workable budget for ADF&G, seafood inspection programs at DEC, and ASMI's salmon marketing initiatives.
 - organize an annual industry fly-in during the legislative session.
 - get Anchorage/Railbelt area permit holders, processors, and support services politically involved.

FISHERMEN

1. Improve quality through proper handling and chilling wherever possible. For those quality-conscious fishermen, continue to deliver quality salmon and encourage other fishermen to do likewise.
2. Organize quality-conscious fishermen and appropriate local processors for regional salmon marketing efforts similar to the Copper River effort.
3. In Bristol Bay, continue efforts to address fleet or gear consolidation.

PROCESSORS

1. Help create consistency in consumers' expectation of quality and at a minimum use ASMI quality standards as a foundation for individual plant grading standards.
 2. Include fishermen in discussions on short and long-term marketing strategies; explore ways to achieve those goals together.
 3. Create and use incentives for promoting quality and loyalty to new and/or expanding markets and products.
-

ADF&G

1. Continue pre-season regional meetings with industry representatives to set in-season parameters for maximizing quality and efficiency.
2. Initiate pre-season regional meetings with processors and shippers to determine if in-season modifications are possible for meeting key marketing events and schedules.
3. Expand timely collection of salmon wholesale value and harvest information including at a minimum one more COAR report.
4. Seek consistency in the enforcement of regulations, such as roe stripping.

ASMI

1. Expand marketing efforts to positively differentiate wild salmon from farmed salmon.
2. Capitalize on health benefits of wild salmon, including obtaining a heart-healthy certification, such as the American Heart Association.
3. Continue to seek outside funding sources for salmon marketing efforts.
4. Develop and support marketing strategies that differentiate Alaska salmon from endangered salmon, including eco-labeling programs.

DCED

1. Achieve credible organic certification for wild salmon.
2. Promote regional salmon marketing in a manner that does not lead to consumer confusion or fractionalization.
3. Pursue quality seal research and pilot project.
4. Serve as a clearinghouse for performance information on different pin bone machines.

BOF

1. Amend Board proposal form to include a question about quality impacts of fish harvest.
2. Inject concern for improving quality and economic efficiency into Board discussion.
3. Absent major allocation repercussions, support those proposals that improve quality and efficiency.

ASTF

1. Continue funding and support for pin bone removal projects.
2. Follow-up on projects/proposals to extend shelf life of fresh salmon, such as using ozone in slush ice; work closely with DEC on these projects.

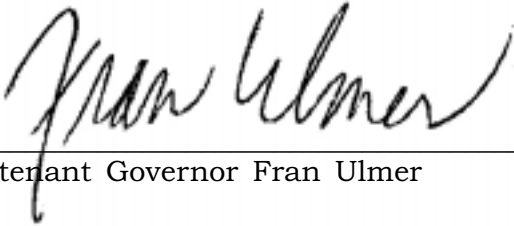
DEC

1. Be receptive and responsive to ASTF projects that demonstrate how shelf life can be extended while complying with food safety and inspection requirements.
 2. Initiate a state organic labeling program that relies on credible private certifiers and industry to cover inspection and costs.
 3. Seek consistency in the enforcement of food safety regulations.
-

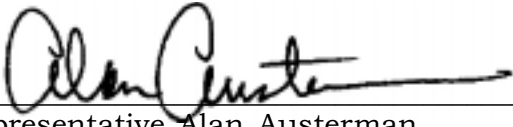
We recognize that total consensus within our diverse salmon industry is not possible. Nonetheless as demonstrated by three Salmon Forums, a general sense of desired direction is emerging, and actions based on that direction are achievable. The challenge lies in moving in the desired direction: from a production-driven fish industry to a market-driven food industry. This challenge calls for leadership and initiative by both the state and industry. All affected sectors of industry and government must take responsibility for making these changes. We ask that you take your respective part in taking on these assignments. We are making progress but we can and must do more.

Sincerely,

Salmon Forum 99 Sounding Board Members



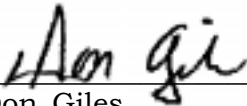
Lieutenant Governor Fran Ulmer



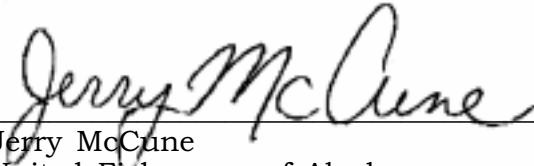
Representative Alan Austerman



Scott McAllister
United Salmon Association



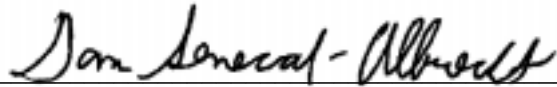
Don Giles
Icicle Seafoods



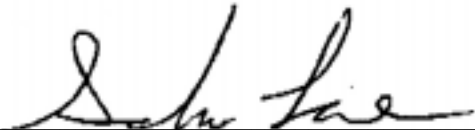
Jerry McCune
United Fishermen of Alaska



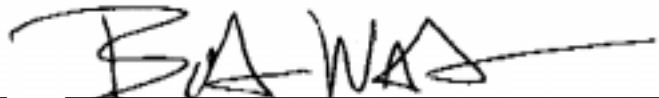
Jamie Kenworthy
Alaska Science & Technology Foundation



Dan Senecal-Albrecht
Yukon River Drainage Fisheries Assoc.



Sandro Lane
Taku Fisheries



Bob Waldrop
NorQuest Seafoods

Salmon Forum 99 Proceedings

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SALMON FORUM '99

March 12-13, Sheraton Hotel, Anchorage

AGENDA

Overall Goal of Salmon Forums – To collectively move the salmon industry from a production-driven fish industry to a market-driven food industry.
(from the first Forum)

Friday Morning – Getting Grounded and Challenged

- 9:00 – 9:15 Welcome
- 9:15 – 10:00 Salmon Forum II Update by members of Salmon Cabinet and Sounding Board – Where are we on the path to a market driven food industry?
- 10:00 - 10:30 Summary of Salmon Industry Status
- 10:30 – 10:40 Break
- 10:40 – 11:30 Summary of Technology Developments
- 11:30 – 12:00 Challenge and Opportunity Comments – Retailers, Processors, Fishermen, Support Services and Agencies
- 12:00 – 1:15 Lunch

Friday Afternoon – Meet Your Competitor and Customer

- 1:15 – 1:45 Perspective from Chile – David J. Solomon, Farmed Salmon Importer and Marketer
- 1:45 – 3:30 Presentation of ASMI video – “The Salmon Market: Challenge and Opportunity”

followed by an ASMI panel discussion on customer expectations with representatives of retail, foodservice, and distribution sectors

Regional Marketing

- 3:30-4:30 Presentation on working regional marketing models – AYK and Copper River
- 4:30-5:00 Marketing Wrap Up with Sounding Board

Saturday Morning – Challenges and Two Concurrent Sessions

8:00 – 9:30 Wrap-up of Friday’s discussions; issue challenge statements

A Session – Fleet Reduction

9:30 – 10:30 Panel discussion on Fleet Reduction Options - CFEC’s fleet consolidation report will be the basis of this discussion.

10:30 – noon Breakout groups by regional fisheries to

- discuss pros and cons of the options as they pertain to specific fishery
- determine options worthy of further consideration for particular fishery
- seek consensus on any regulatory or statutory changes that might be desired to take further action a specific option

B Session – Fish Transport: Opportunities and Obstacles

9:30 – 10:30 Panel discussion on freight opportunities and obstacles for improving the reliability and price structure for shipping fresh and frozen salmon into the domestic market.

10:30 – noon Breakout groups to

- identify specific strategies for private sector and government to create more competition, reduce freight costs, achieve efficiencies in freight distribution and improve reliability of service

noon – 1:00 Lunch

Saturday Afternoon – Industry Relations and Action Plan

1:00 – 1:30 Summary Report from morning sessions

1:30 – 2:45 Industry Relations Panel discussion

2:45 – 3:45 Overall Goal Development Sessions with breakout groups

3:45 – 4:30 Breakout Groups Report back to Sounding Board

4:30 – 5:30 Summary Session with Sounding Board

SALMON FORUM 99

PANEL MEMBERS & SPEAKERS

Forum Facilitator

Jamie Kenworthy,
Alaska Science & Technology Foundation

Sounding Board

Lieutenant Governor Fran Ulmer
Senator Loren Leman/Rep. Alan Austerman
Dan Senecal-Albrecht,
Yukon River Drainage Fisheries Association
Don Giles,
Icicle Seafoods
Sandro Lane,
Taku Fisheries
Scott McAllister/Bruce Schactler,
United Salmon Association
Jerry McCune,
United Fishermen of Alaska
Bob Waldrop,
NorQuest Seafoods

Note: The role of the Sounding Board is to help formulate consensus points and identify action items for the state and industry. The facilitator will rely upon their active listening, experience, and leadership. Members of the Sounding Board also facilitate breakout group discussions and report back to the forum.

Friday, March 12th

Salmon Forum II Update

Commissioner Frank Rue,
Alaska Dept. of Fish & Game
Deputy Commissioner Jeff Bush,
Alaska Dept. of Commerce & Economic Development
Sounding Board Members

Salmon Industry Status

Bart Eaton,
Trident Seafoods
Eric McDowell,
Salmon Market Information Service

Technology Update

Keld Andersen,
Alaska Seafood International
Jamie Kenworthy,
Alaska Science & Technology Foundation
Scott Smiley,
UA Fishery Industrial Technology Center
Ray Wadsworth,
TBRS Technologies, Ltd.

Meet Your Competitor and Customer

Jack Amon,
National Restaurant Assoc. Board,
Partner in Anchorage Marx Bros. Cafe
Margi Cantrell,
McGroup, Inc., former national supermarket meat and seafood director
Joe Connor,
Vice-President, BAMA Sea, distributors and importers of seafood products
David J. Solomon,
Farmed Salmon Importer and Marketer

Regional Marketing

Torie Baker,
Cordova District Fishermen United
R.J. Kopchak,
Copper River Salmon Producers Association
Chris Mitchell,
Alaska Fisheries Development Foundation

Saturday, March 13th

Fleet Reduction

Governor Jay Hammond,
Bristol Bay Blue Ribbon Committee on Limited Entry
Commissioner Bruce Twomley,
Commercial Fisheries Entry Commission
Theo Matthews,
United Cook Inlet Driftnetters Association
Jamie Ross,
Chignik Seiner
Larry VanderLind,
Bristol Bay Driftnetter

Fish Transport

Dave Beach, Movers Inc.
John Cleveland, Sea-Land
Elaine Grady, Northern Air Cargo
Duff Mitchell, Alaska Dried Foods
Bette Ross, Alaska Airlines
Kurt Stoner, TOTE

Industry Relations

Karl Kircher,
United Fishermen of Alaska & Kenai Peninsula Fishermen's Assoc.
Glenn Reed,
Pacific Seafood Processors Association
Bruce Schactler,
United Salmon Association
John Sevier,
North Pacific Processors
John Sund,
NorQuest Seafoods



Day One Reports & Highlights

Quotes from Salmon Forum II Update

**Commissioner Frank Rue,
Alaska Department of Fish & Game (ADF&G)**

“ADF&G was assigned the task of working with fishermen and looking at management programs to maximize quality. We have done that.”

**Deputy Commissioner Jeff Bush,
Alaska Department of Commerce and Economic
Development (DCED)**

“The recommendations from the first forum that we’re acting on now are pin bone removal, creating a guerilla marketing program, and developing a quality grading system. ASMI has developed a quality grading system and we hope you use it.”

Lieutenant Governor Fran Ulmer

“The public does not understand how important this industry is. It is our responsibility to educate them.”

Jerry McCune, United Fishermen of Alaska

“We have not produced the markets for abundant salmon. I think that we have made some progress in the legislature; however, just the other day it was referred to as a ‘dying industry.’”

Don Giles, Icicle Seafoods

“I measure the success of the Salmon Forum not by what we get to check off, but by communication. There has been better communication among industry participants. We cannot start solving problems without talking about them.”

Technology Summary

Scott Smiley, University of Alaska Fisheries Industrial Technology Center

PINBONE MACHINES

We are building a machine to remove the pinbones from pink salmon. The harvest of this species in Alaska is around 110 million fish per year. Currently we have solid markets for about 65 million fish when packed in cans. By developing an effective pinbone removal machine we may well be able to find markets for the remaining pink salmon harvested in Alaska.

Our design goal has been to develop a machine that could handle the output of an automatic filleting machine. These machines fillet between 50 and 75 fish per minute, producing 100 to 150 fillets per minute. We have tried to design our pinbone removal machine to keep up with this through put. We envision our pinbone removal machine as fitting into existing lines between the automatic filleting machine and a deep skinner. The product form we are trying to aim at are portioned skinless boneless pink salmon fillets. The opportunity for these is in once frozen salmon fillets for microwave dinners.

OMEGA-3 FATTY ACIDS

Part of our efforts will be directed towards new technology concerning how the by-products of seafood processing are handled. Approximately 2 million metric tons of fish are harvested in Alaska each year. The vast majority of this harvest is Alaskan pollock from the Bering Sea. Among the by-products of processing of this amount of seafood is approximately 200,000 metric tons of pure protein and 100,000 metric tons of fish oil. Most of this is protein and oil is not currently realized as product, but is either dumped or converted into a fish meal containing 65% protein and significant amounts of ash. The fish oil recovered during seafood processing is most often used as fuel.

Fish oils contain very healthful polyunsaturated lipids called omega-3 fatty acids. The retail value of omega-3 fatty acids is quite high, about \$200 per kg on the nutraceutical market. To translate this into understandable terms consider that a pink salmon is about 10% lipid by weight. A pink salmon is roughly 2 kg, meaning each fish contains about 200 gm of lipid. Omega-3 fatty acids account for between a quarter and a third of the lipid in pink salmon. This means roughly 50 grams of omega-3 fatty acids per fish; roughly 1/20 of a kg equating to about 10\$ in retail terms just in the omega 3 fatty acids. Of course part of the reason for the very high retail value of omega-3 fatty acids is their restricted supply. If we were to produce a significant amount of omega-3 fatty acid for sale it would no doubt depress the retail value. But even if we were to cut the price by a factor of 10 that still means each pink salmon contains about \$1 in omega 3 fatty acids. Interestingly, much of this lipid is located just under the skin and in the head, meaning that the fish flesh could still be sold while upwards of half the omega-3 fatty acids could still be recovered.

(Scott Smiley can be reached at 907-486-1500 for more information.)

Salmon Industry Status

The following is a visual presentation summary given by Chris McDowell of the Salmon Marketing Information Service



1998 Season in Historical Perspective

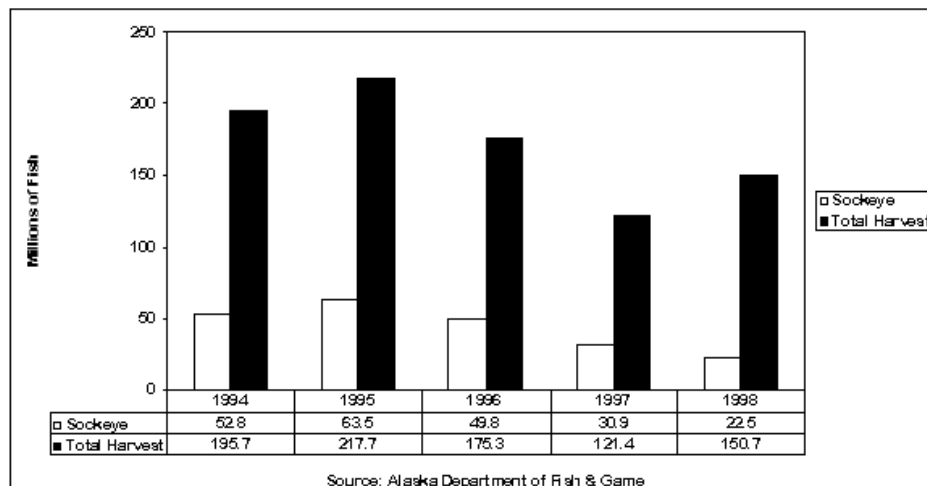


1998 Harvest

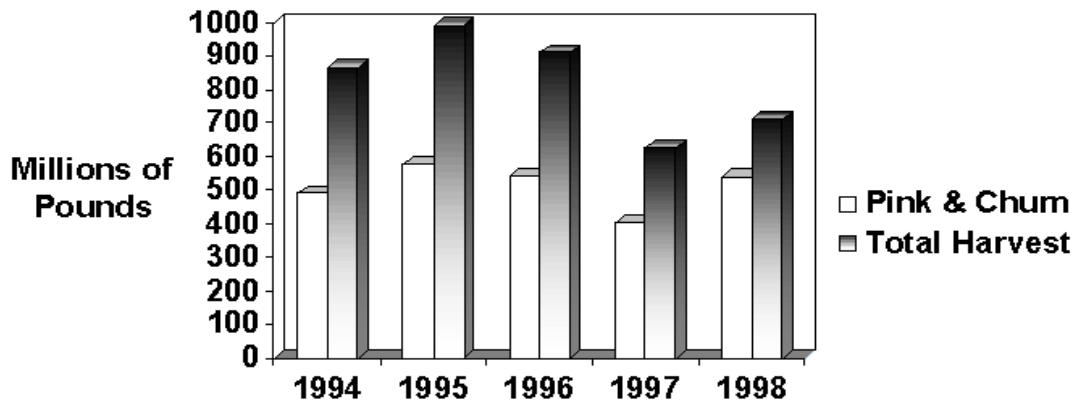
- Sockeye Harvest Down Substantially
- Proportion of Low-Value Fish up Substantially
- Ex-Vessel Value Continues Modest Decline



Sockeye Harvest



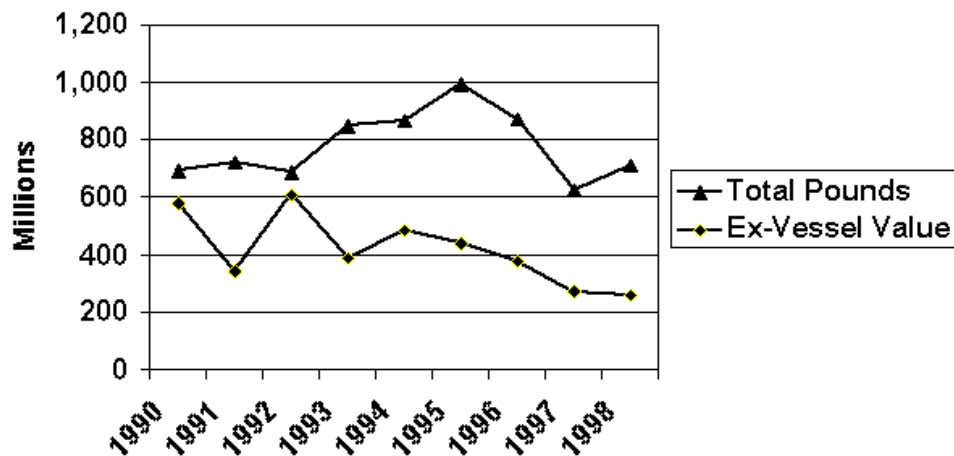
Chum/Pink Share of Harvest



Source: Alaska Department of Fish & Game



Alaska Salmon Harvest: Catch and Value 1990-1998



Source: Alaska Department of Fish & Game



Statewide Average Ex-Vessel Price

	<u>1996</u>	<u>1997</u>	<u>1998</u>
Chinook	\$1.55	\$1.42	\$1.20
Sockeye	.92	.85	1.17
Coho	.64	.41	.55
Pink	.13	.10	.14
Chum	.24	.17	.18
All-Species Average	.43	.44	.37



Import/Export Balance

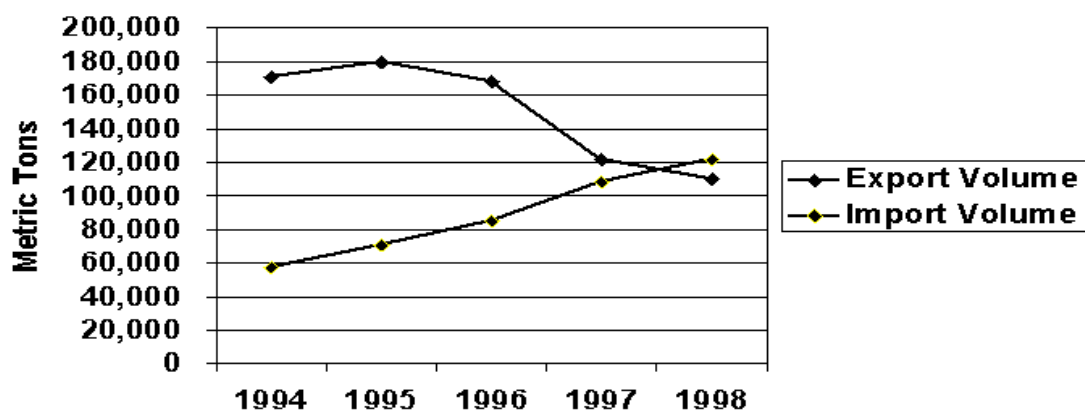


Import/Export

- U.S. Export Volume and Value Down
- Alaska Sockeye Harvest and Total U.S. Salmon Exports Closely Linked
- Exports to Europe and Japan Down, Canada up
- Import/Export Balance with Canada



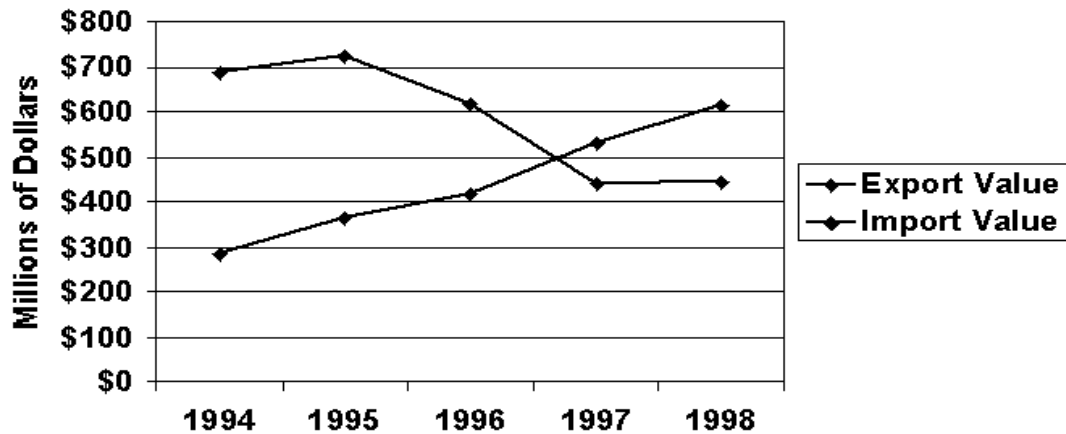
U.S. Salmon Import and Export Volume 1994-1998



Source: 1994-97 Seafood Market Analyst 1998 U.S. Department of Commerce



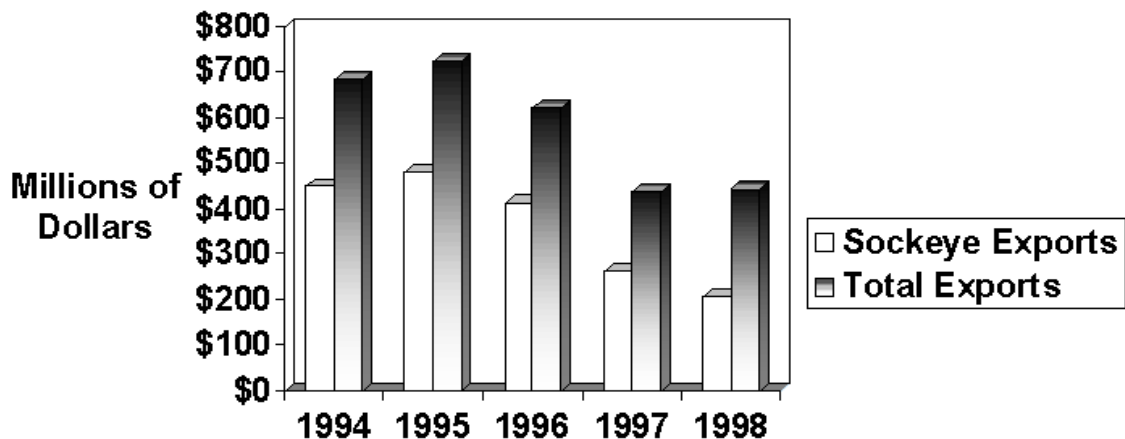
U.S. Salmon Import and Export Value 1994-1998



Source: 1994-97 Seafood Market Analyst 1998 U.S. Department of Commerce



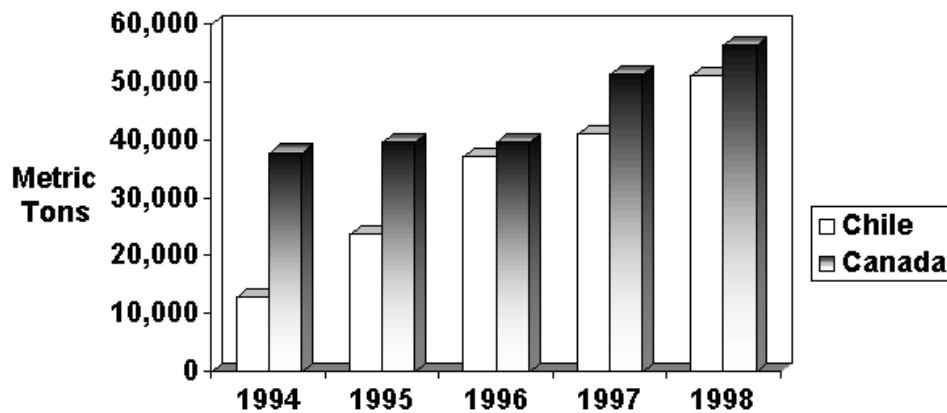
Sockeye Exports vs. Total U.S. Salmon Exports



Source: 1994-97 Seafood Market Analyst 1998 U.S. Department of Commerce



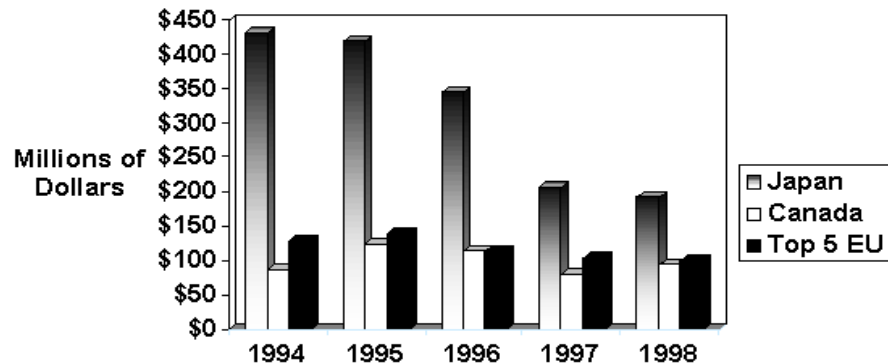
U.S. Salmon Import Volume



Source: 1994-97 Seafood Market Analyst 1998 U.S. Department of Commerce



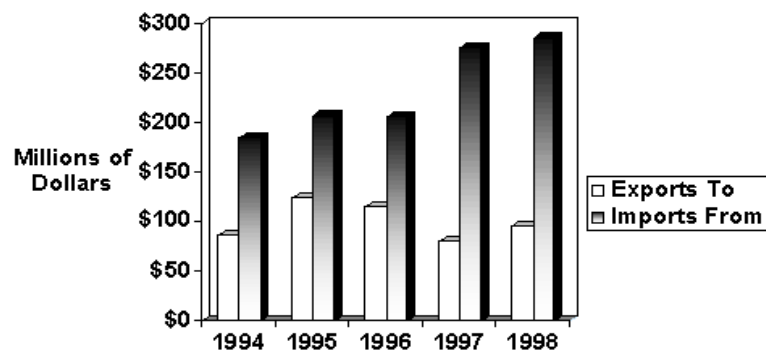
US Exports to Japan, Canada and European Union



Source: 1994-97 Seafood Market Analyst 1998 U.S. Department of Commerce



Import/Export Balance with Canada



Source: 1994-97 Seafood Market Analysis; 1998 U.S. Department of Commerce



U.S. and World Market Trends



Market Trends

- Japan Imports

- Dollar Value Down by 55% in 5 Years

- Niche Markets

- 1% of Fish, 8% of Value

- Export Diversity

- Over Half of Export Value (52%) is
Non-Sockeye



Challenges

- Domestic Market Penetration

- Continued Niche Market Development



Quotes from Meet Your Competitor and Customer

Mr. David J. Solomon, Chilean Farmed Salmon Importer and Seller
(See speech text)

Joe Conner, Vice-President BAMA Sea, Florida
(See partial speech notes)

Jack Amon, National Restaurant Association Board
"Salmon is getting onto more menus. Farmed fish is user friendly. The size of the fillet with pin bones removed is just right. But farmed salmon does not have the dynamic flavor of our wild fish, or the panache."

Margi Cantrell, McGroup Inc.
"Seafood has little shrink to it. You can mark down beef or pork in the market case, but have you ever seen marked-down fish? There is the expense of higher loss to the market."

Audience Question & Answer:

"Is the problem quality or is the problem lack of money to promote?"

"It's not quality or money—it's availability. I can get the ads to promote it and the market, but the fish are not available. The fishermen cannot go fishing because ADF&G won't open the areas to fishing."

—Joe Conner

"Quality is not the problem. Education of the consumers requires money. You can educate the consumer that it is better to have a freshly frozen product taken down to 40 below than it is to take four days getting fresh fish to the customer."

—Margi Cantrell

"\$1.99 retail sell price is the magic number to move chums, but you have to have the fish to do it. The worst thing is to not have the fish when you have run the ads. They never forgive you."

— Joe Conner

VIDEO AVAILABLE

The forum audience watched a video prepared by ASMI entitled, [The Salmon Market: Challenge and Opportunity](#). This video is available for your viewing. It features domestic seafood consumers and purveyors of Alaska salmon and explains the role of market expectations with regard to quality, consistency, availability, and price. This video was specifically prepared for Alaska fishermen in 1998. Contact your local fishing organization to view the video or call ASMI (1-800-478-2903) for a video free of charge.

Mr. David J. Solomon, Chilean Farmed Salmon Importer Salmon Forum 99 Presentation

When I quit law school in 1971 to try and save the world, I came back down to earth about a year later on a lobster boat out of Boston setting traps off the stern for 20 bucks a day and a bushel of shorts. I fought with that stubborn Captain every time he would start scraping the eggs off the big females, and when he refused to stop, I quit that boat and moved to another. I can still see him vigorously scrubbing the undersides of those 2-4 pound beauties with his rusty wire brush, and casually throwing out thousands of eggs per day, millions per week, over the side to die, defending his activity by saying, "The lobsta fishin's getting so bad these days, how else can I make a livin'? Besides, everyone else is doin' it!"

From stern-man on a lobster boat, I worked my way through the east coast food and seafood industry in sales, marketing, management, operations, product development, processing, distribution, and importing. In 1991 with two kids in college and more bills than income, I borrowed ten grand from my brother and started my own company, buying and selling fish from around the world, including Alaska. Eventually I stopped selling wild fish of any kind. (My doctor told me that I had pulled too much hair out of my head, and I needed a more stress-free lifestyle.) So I started concentrating exclusively on farmed salmon, from Maine, Scotland, Chile, Norway, Iceland, Ireland, and both coasts of Canada. After five years of incredibly hard work, I had built a 20 million dollar company in the living room of my home in Connecticut, primarily buying boneless fillets from Chile, and selling them directly to supermarket chain store warehouses.

Chilean suppliers eventually convinced me to move to Miami to set up a company for them to get closer to the market. I agreed. We parted company last June, after 2 1/2 years of working together to become the largest seller of Chilean Atlantic salmon in America. It was a fair deal. They got most of my business, and I got a little of their money. At the time I left, they were selling me about two millions pounds a month, head-on equivalent of boneless Atlantic salmon fillets, most of them pre-sold on fixed price programs directly to America's supermarket chains.

Your competitors, my former partners, are among the brightest people ever to hit the fish business. Chilean salmon farmers don't have pitchforks in their hands or grass in their teeth. Nor do their hands, their cars, or their homes smell of fish. They're well-educated (most have engineering degrees), they're well-financed, and they're young and very clever entrepreneurs. Shrewd businessmen who have aggressively built, with virtually no government assistance, a huge export industry from zero in about ten years time. They've studied economics in our universities, and have taken the capitalist free-market model to its extreme. They sit behind computer screens calculating business strategies, formulating investment tactics, and looking for short and long term opportunities to make money from salmon flesh. They study your landings history and trends, and they study your forecasts, in order to calculate how many little coho, trout, and Atlantics they should put into the water each year.

Right now, 2-4 lb h&g cohos are selling to the Japanese at \$2.70/lb. FOB Chile. Two-four pound steelheads are worth about \$2.60. And these are prices paid to the farmers themselves. They own the fish, and take it to the market themselves. They

don't sell it to someone else to take to the market. They bring it to either their own plants or to someone else's plant and pay to have it processed and packaged. But they take the risk of the growing and the risk of the market. So they make the spread. In their 1997/98 season, they lost a lot of money. This year, they've made it up...big time! No pain, no gain!

The motto of the farmed salmon business for the millennium is either grow or die. And grow, they have! And grow even more, they will!

Who are your competitors?

Companies like Hoydro Seafoods of Norway, producing almost 100,000 metric tons of salmon per year, with sales of around \$250 million in 1997. Companies like Stolt Seafarm of Norway, Canada, and Chile, producing around 60 million tons with sales of ~\$200 million. Companies like NUTRECO, the world's largest salmon feed company. A public Dutch corporation that owns Mares Australes, Chile's largest salmon farm, as well as other farms in British Columbia, and poultry plants in Europe. Talk about leverage. Talk about a great business. The feed guy sells the pellets to the farmers who are at the same time his competitors. So a salmon farmer's biggest debt is to his competitor.

And the latest news in the industry is that these three mega-salmon companies, Nutreco, Stolt, and Hydro, are in merger talks. Just imagine, for a moment, how things would be when about 20-30% of the world's farmed salmon production is in the hands of one huge, well-financed agribusiness company based in Holland, with feed based debt leverage on most of its competitors. And the company just keeps on growing and growing...absorbing its feed customers, one by one, as they find it impossible to grow salmon as cheap as this huge vertically integrated salmon growing machine.

Some experts are predicting that farmed salmon production in the year 2010 will exceed 2 million metric tons.

Your competitors are huge corporations with their own modern, HACCP approved processing plants, where hundreds of people dressed in white coats, boots, hair nets, face masks, and gloves stand along stainless steel cutting lines processing hundreds of thousands of fish per day into boneless fresh fillets for the U.S. market, and/or frozen H&G coho or salmon trout to sell to the Japanese. They've got marine biologists and veterinarians, financial geniuses, transport geniuses, marketing geniuses, R&D geniuses, packaging geniuses...all kinds of geniuses working on ways to produce and deliver more salmon cheaper, faster, and better. One of them once said to me, "Wouldn't it be great if we could just get the consumer to eat the pellets!"

When an obstacle gets in their way, they sit down and figure out how to go around it, over it, or through it. For example, they've figured out how to put together a complex logistical transport system which brings fresh boneless salmon fillets about 1800 miles by truck from the dirt roads in the remotest areas in the south of Chile, near the Antarctic Circle, over and through the Andes Mountains to the airport in Santiago, then by jet to Miami, Los Angeles and New York. Six to eight thousand miles overnight by air in 48-72 hours from the time the fish comes out of the water. I've even sent fresh Chilean salmon fillets over 10,000 miles from Chile to Alaska! And they arrived to the customer absolutely perfect!

Mr. David J. Solomon,
Chilean Farmed Salmon Importer

Don't be surprised, next year, when you start to see the world's salmon farmers doing what Tyson Foods was unable to do in Alaska. The farmed salmon industry is approaching the scale of industrialization which poultry achieved in the 1950s and 1960s. I promise you that you'll see fresh pre-packaged skinless & boneless "chill-pack" Atlantic salmon next to the chicken in the U.S. supermarkets before the end of the year 2000. It's already been in European supermarkets for several years.

One might say that your competitors, the salmon farmers, are really salmon manufacturers, while you, the salmon fishermen, are gatherers. They seem to have far more control over their destiny than you do. They decide how much to plant, how much to reap. You do not. They know this year what they'll be processing in two years. You do not. They negotiate for price and supply directly with the end users. You, for the most part, do not. They take the risk of the growing of the fish and the risk of the market. You do not.

But wait a minute...can there be some new direction and organization put into the wild salmon fishery of Alaska? Yes, I think so. Can there be fishermen-owned and operated, high quality regional processing facilities with state-of-the-art fillet and pin-bone removing equipment? I think so. Can you predict what you will be processing in two years? I think that we could come up with some fairly safe minimum quantities that would justify the capital expenditure for investment in such plants and equipment. I mean, you know that the fish is going to come, right? It's just a question of how much, when, and where. Can we sit with supermarket buyers and plan programs of supply of specific products that they know the consumer wants? I think it can be done (except, of course, with fresh chums for the fourth of July ads!). Your competitors do this. I taught them how to do it. And you can do it too.

Your competitors, the Chilean salmon farmers, deserve a lot of credit for having grown their industry to unprecedented levels of output and success. But we still have at least one important advantage over them...we are Americans, and this is America. We have an infrastructure that no other country in the world has. If we make up our minds to do something, we'll get it done! But first, you've got to accept the fact that something needs to be done. You need to listen to the people from ASMI. You're paying them for their advice. They know what they're doing. Then you've got to figure out how you're going to do it. So you've got to enlist the advice of experts in logistics, transport, packaging, food marketing, food science, food and seafood processing, and product development. So that you can compete in the U.S. and across the world with the finest salmon money can buy.

And once you've created a product worth investing in, you need to work together with the salmon farmers of the world, yes, your competitors, to develop and finance a world-class generic salmon marketing program to promote salmon in the U.S. Not wild salmon, not farmed salmon, but salmon. This is the smart way to leverage their capital to maximize your investment. It's called "more bang for the buck." Now, some of you may be shaking your heads, "Why should we pay to promote the products of our competition?" Well, you are absolutely right. You shouldn't spend a nickel promoting generic salmon, until you are putting into the market those products in which you have the utmost confidence of success, because you've done the homework. Then, promoting salmon generically helps you and it helps the competition. It helps to create demand for high quality salmon. And then every time the generic salmon

Mr. David J. Solomon,
Chilean Farmed Salmon Importer

marketing campaign convinces another consumer to try salmon for the first time, the experience will be a satisfactory one, and, in fact, an enjoyable one.

When your competitors started ramping up sales and distribution to America's supermarkets, they established a quality control system for monitoring the cold chain from farm to end user. Approaching the task of solving logistical and transport problems as strategic partners, all of the parties involved in the handling of the products, including the final customers, worked together to develop a system along the lines of HACCP, which clearly identified each step of the distribution process, identified the team member responsible for that step, and specifically identified in writing the responsibilities associated with each step. Then each person signed an agreement, in blood, in fact salmon blood, acknowledging that "he who screws-up pays." It worked for them, and it can work for you.

I have a message to you from the Seafood Director for a large east coast supermarket chain:

"You can't just take a package of sauce mix and throw it into a package of frozen pink salmon, call it value-added, and expect it to sell. You need to do your homework. You need to take a food business approach to market research and development, and to new product development." He continued, "Do you know how much a company like General Foods spends on the R&D for a new product? And even after all of that money is spent, do you know how many new products actually succeed? I think the national average is about 1 in 100. In fact, there's a museum in upstate New York full of failed new consumer products. Do you know how much money it takes to drive a new product into the retail case, and then into the shopping buggy of the customer?"

"This is not 1960," he said. "You can't take Mama's picture and put it on a jar of spaghetti sauce and bring it down to the local independent supermarket and ask him to put it on the shelf. In the first place, there are no more independent supermarkets left in America. And it takes millions of dollars to launch a new product in U.S. supermarkets. It takes more than just "a good idea" to succeed. So before you spend the money to introduce a new product, you'd better do the homework."

You Alaskan fishermen have a unique set of problems, which can only turn into opportunities by first deciding together what you need to solve them, and that you then want to solve them. Do you want to control your own destiny, or would you prefer to just catch the fish and pray for a good price? Whatever you get, you deserve, when you do it that way. If you don't change the way you do things, you guys are going to end up like dinosaurs. Farmed salmon is here to stay. And the world is eating more salmon than ever before. People are eating more farmed salmon, and they'll eat more wild salmon, and may even learn to prefer it, if you do your homework.

You've simply got to get together and create an organization and recruit the resources and the talent you need to level the playing field. You've got so much more going for you than the farmers. You don't have to grow the fish. All you need to do is be there every year when it comes to you. You don't need to run the risks of disease and feed prices. You don't have anti-dumping duties. You've got God, Mother Nature, and Apple

Mr. David J. Solomon,
Chilean Farmed Salmon Importer

Pie on your side. You've got state and federal resources available to you. You've got supermarket buyers and chefs all over the country who want to buy natural, wild salmon. But you've got to produce high quality products, fresh and frozen, with real benefits for the consumers. It's not enough just to catch it and sell it.

If you want to compete with the big boys, you've got to buy into these concepts and stick with them.

Listen to this:

You've seen all the charts, and heard all the data, showing how farmed salmon production is going to increase every year from now until the end of time. You've seen all the price data, showing the steady decline of prices over the past ten years, and heard all of the projections about prices continuing to drop, as the farmers become more efficient, each year. Well, guess what? Today, pbo salmon fillets are \$3.75/lb. and higher FOB Miami. We are at this very moment riding a temporary window of opportunity. It's been fueled by several important factors, and it has particular importance to your strategic planning for the upcoming season. It all started last January, when anti-dumping duties were placed on imports of Chilean salmon. Suddenly, even the worst "banditos" were forced to adhere to what is now known as a minimum duty-paid price. This is the price of fresh Chilean salmon that the producers think will keep the U.S. Department of Commerce off their back, because it's a profitable price. So that was the first factor.

Second, faced with the anti-dumping issue, many producers have put less little Atlantics in the water in the past 18 months. For some, the decreases were significant. For others, it was only nominal. But the effect has been to gently reduce the rate of growth of total production of Atlantic salmon in Chile.

Third, of course, is our old friend El Nino. Water temperatures in the South Pacific have risen. There's not as much oxygen in the water. The fish are not growing the way they should. They're eating, but not growing. So the Chilean farmers have to keep them in the oven a little longer. So there's less fish being shipped. Significantly less fish during the first three months of this year.

The fourth reason is related to what we call fish health issues. Chile has been intensively, some say over intensively, farming salmon for the past ten years. Unlike Maine, Norway, Scotland, and Canada, the Chilean government pretty much has left these guys alone in terms of over-regulating cage density restrictions, and site fallowing practices, for example. They've had, as I said earlier, no financial help from their government, but neither have they had much regulation or advice in health matters from their government. Now, it seems, they are beginning to pay the price, because sea lice and some other health problems are plaguing many farms in Chile. Nothing they can't handle, but the fish have stopped growing at the accelerated rates required to keep up with their production planning. Again, the result is slower growth, and less fish in the market.

Add to these factors the increased cost of feed due to high fish meal and fish oil prices, and you see the results in lower production from Chile since January. February was even less. And so far, in March, it looks like even less. Some industry analysts

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Chilean Farmed Salmon Importer

are saying that Chilean production will stay low until July. Others say until August. One of Chile's largest farms has projected 30% lower production until September or October. Some producers are shipping nothing until the fish grows. Everyone agrees that there will be a significant shortage of Chilean salmon fillets in the market through the summer, and perhaps into the early fall.

So, if you do your homework, and produce, package, and ship a high quality product this season, this could be the year for you to really show the market what you can do. But this is an opportunity, like most, that carries a major risk. If the quality of the fish you send is the best, you'll establish a new market with the "new" consumers of farmed salmon. If the fish is just "ok," or not the best, you may actually ruin your chances for the future, because the consumer will not buy your product. Or worse, she'll never buy your salmon again. And if this happens, your competitors will be waiting to jump on the opportunity.

So take care. Do your homework on the simple stuff, for this season. Develop boneless fillet supply programs, and pre-cut steak programs. I think it will be well worth your while to study long and hard for this big exam, coming up.

I know it's all so easy to say, but seems so hard to do. What's really easy is to keep on doing what you've been doing, and to leave the problems for your kids to worry about. It's hard to change. But you must change if you are to survive as a viable industry.

My old lobster boat captain took the easy way out. He couldn't change. He's long gone. So are the lobsters.

I'd like to thank you for the invitation to be here to speak with you today. This is my second trip to Alaska in the past six months. I hope that I'll be back soon.

Last night I ate a piece of fresh king salmon at Simon and Seaford. It was unquestionably the most delicious piece of fish I've ever tasted. But I can't come to Alaska every time I want to eat a good piece of salmon! How can you deliver that same experience through the seafood counters and restaurants of America? That, my friends, is your challenge. Thank you.

Joe Conner, Vice-President BAMA Sea, Florida

“We are committed to supporting the Alaska fishery. It’s the best. But I tell you, it’s a pain. The distribution system is terrible. The fish needs to arrive on time and in good shape. The potential is phenomenal for wild product, but logistically it’s a nightmare. You know how it is to truck product from Anchorage to St. Petersburg, Florida. It’s become more cumbersome in Alaska the last few years because companies such as American Express and Fed Ex are not readily acceptable to handling fish through the air. We have chartered our own DC-8 from Bethel and brought in 70,000 pounds of fish into Atlanta directly. But it’s a very costly venture. Unless the market warrants it you can’t do it. You can get farmed salmon from Chile, almost in Antarctica, to Miami in less than 24 hours. That opens a lot of avenues for a retailer.

I don’t think the state looks at the economic impact of the openings and how it coincides with the marketability of the product. You can have a tremendous amount of seafood, but if you don’t have a market for it you have to freeze it and the value goes down. If you could work closer with the marketability of the product then sales volume would go up.

When they can’t get the product to match their advertisements, retailers get angry and go somewhere else. You lose them, they won’t come back. How are we supposed to time our advertisements with your openings? The issue is not quality or price. It’s availability. I can provide the market, get the ads to promote, but between the openings and the logistical nightmare, the fish are not available.

You are your own worst enemy. What do you want? You want the domestic market, the Japanese market, and the European market. The Japanese market disappears so you jump to the domestic market. The Japanese start to buy and you abandon the domestic market to recover the Japanese. We found we could build momentum in May with sockeye. But then the Japanese jump in and pay a bigger price and the supply goes away. **Without market loyalty you are making it very difficult to do business.**

Two percent of the people who walk into a store walk over to the seafood section. That means enormous potential with 98% of the customers you have to reach yet. They’re out there. Now go get ‘em.

Quotes from Regional Salmon Marketing

Chris Mitchell, Alaska Fisheries Development Foundation

"We took the emphasis off salmon as a commodity and put it on quality niche markets. Niche marketing does not happen overnight. We had these fish analyzed and they were something special. We then tried to build a story, Taste Our Natural Way of Life."

Torie Baker, Cordova District Fishermen United (CDFU)

"We put together a pot of money to promote our salmon. We had a \$10-\$15,000 media tour, plus informal media tours and videos that have helped to tell our stories."

R. J. Kopchak, Copper River Salmon Producers Association

"There is a sizzle available in every area of Alaska. Even Bristol Bay has sizzle. Regional marketing helps focus dialogue between processors, harvesters and managers. We need quality standards, product promotion funds, and protection of fish handling."

Comment from Participant in the AYK Marketing Project

"I am asked if our AYK product is better than the Copper River. I respond, 'No, I am saying that it is different.' Be truthful about the basic facts. We are all the best. We all have room to be true to who we are."

VIDEO AVAILABLE

The forum audience watched a video prepared by DCED entitled, Regional Salmon Marketing video, length 25 minutes. It features Copper River salmon fishermen sharing their marketing experience with Bristol Bay fishermen. This video is available free to fishing organizations or fishermen interested in forming regional marketing cooperatives. For more information, call DCED Division of Trade & Development (907) 465-2017.



Day Two Reports & Highlights

Fish Transport Work Session

DISCUSSION SUMMARY

GENERAL

- Southbound freight of seafood reduces costs of northbound groceries; we need to document this and share the information with residents.
- Anchorage to Tacoma takes 66 hours by container. Anchorage to Boston takes 8 days; 42,000 lbs, @ .17/lb. But farmed salmon goes to Boston in 72 hours, @ .60/lb. Therefore freight becomes a tradeoff between higher quality and lower cost, between fresh and frozen.
- Air carriers need to pay attention to small volume, i.e. higher value shipments coming from small processors trying to open niche markets.
- We need consistency in air freight schedules to Washington.
- Community pressure can help push air service for special needs, e.g. Copper River.
- Upcoming federal deregulation affects export freight carriers; this may lower cost.
- We should have a through rate with in-state carriers partnering with out-of-state carriers. Alaska Airlines has them with United & Northwest.
- Freight forwarders in Anchorage don't deal with point of origin shipment into Anchorage, but add reliability out from Anchorage.
- We need 2-way communication between shipper, customer, and supplier; not just last minute notice; reliability of cargo service is a two-way street.
- Anchorage is a competitive freight market; this caused rates to stop going up and lower rates in off-season for the road-connected marketplace.
- Promote more competition by supporting the new guy coming in and split business between all carriers.
- Power/fuel costs in rural Alaska greatly impact western Alaska's ability to be competitive.

SHELF LIFE EXTENSION

- Promote research and development on extending shelf-life without ice, e.g. ozone.
- Research biocides to reduce bacteria load at pre-shipping.
- Time openings to promote more efficient delivery.
- Fish is technically fresh at 28 degrees; it does not have to be labeled frozen.
- Technology on oxidation can extend shelf-life for two days.
- Examine the pros and cons of irradiation.

REFRIGERATION

- Walk-in coolers are needed on state ferries.
- Airlines need more refrigeration systems to ensure HACCP compliance.
- Some carriers rely on villages to setup refrigeration, e.g. cooler vans, but they can be costlier to run.
- Cold storage in Anchorage will allow more freight consolidation for outlying regions like Bristol Bay.
- Cryo-freezing is an option but it is expensive.

COST EFFICIENCY

- Reduce the shipping weight. Shipping fillets instead of whole H&G fish reduces freight weight by 25%.
- Promote research and development into packaging to minimize weight and bulk; e.g. nesting styrofoam boxes.
- Self-insurance on freight, i.e. insuring at reduced liability, could lower rates 20-30%.
- Check into federal and state programs to lower fuel taxes and power costs.
- Negotiate lower airport fees where possible.
- Utilize the U.S. Post Office to lower rates.
- Reallocate freight advertising money into lower freight rates, then let fishing groups give public credit to carriers.
- Fill the gap of no freight forwarders outside Anchorage.

REGIONAL EFFORTS

- Small processors should consider a regional insurance pool to take advantage of lower reduced liability rates.
- Develop a priority mail system.
- Consolidate freight with other companies. Direct marketing harvesters and processors in one region should try to coordinate with carriers in their areas ahead of the salmon season.
- Establish a shippers co-operative.
- Evaluate the cost for additional lift capacity as a region.
- Look at allocating freight or special rates for regional marketing efforts, i.e., niche partnerships.
- Establish Rural Enterprise Zones.

Fleet Reduction

DISCUSSION SUMMARY

Four breakout groups—Bristol Bay, CI/Chignik/ Kodiak, SE/Yakutat/PWS, CR/PWS—were assembled to address three questions:

1. Do you want fleet reduction?
2. Which option? How does the option address the problems?
3. What needs to be done next? (By the industry and the state).

SOUTHEAST ALASKA RESPONSE

- Setnetters in Yakutat are opposed to fleet reduction.
- Southeast Seiners has started looking at it, but first need more information and dialogue.
- Alaska Trollers Association looked at it before and opposes it because it wouldn't benefit the remaining fleet. [76% power troll permits were fished in 1997, therefore 24% unfished; 27% of handtroll permits unfished; buyback might not have any effect.]
- Fleet reduction shouldn't be a knee-jerk response to recent issues and turmoil.
- We should preserve the ability to enter the fishery for future fishers.
- Too much exclusivity will hurt industry.
- Highs and lows come and go as part of a natural cycle.
- Fleet reduction could mean fewer fish-related/support jobs in communities.
- Fleets today are more efficient than in the 70s.
- Buyback could result in reallocation to sportfish.
- Further discussions may have to be tailored to specific fisheries; it is hard to educate the public except generically.
- A buyback would need structure to be effective (not just unfished permits).
- Permit stacking is an interesting idea that should be explored.
- We need to recognize that industry now is not market-driven; it is very regulated. Regulation inhibits the ability to respond to market developments.
- Communities should buyback permits and hold them, rather than the state (it is not legal now for communities to hold permits).
- Regions are unique.
- We need to look at more vertical integration.
- Fleet reduction often happens naturally, by market and regulation impacts.
- Access to nontraditional markets is important in Southeast
- Southeast doesn't need a buyback program now; not enough information now to make a decision; but consider the long-term and keep looking at options.

BRISTOL BAY

- It is a management problem.
- Court cases limit options.
- Fleet reduction should be voluntary only.
- Is the problem too much net?
- Long-term run variability is part of the problem.
- Market-driven is not the answer.
- In a fleet survey of 400 by AIFMA, 95% of fishermen were interested in buyback.
- Consider state and federal funding.
- Look at the AIFMA model for buyback.
- Do an optimal number study first (but this can change through time).
- Do a permit pool to offset liability.
- We prefer federal buyback up front.
- Slow the pace to deal with boats.
- The plan must include setnets too.
- Buyback benefits the most in a poor year.
- Consider a sliding gear scale until a buyback can be put in place.
- The NMFS buyback program sounds good to many.
- It's a dynamic world; we need flexibility.
- Avoid sudden buyout because of boat glut and other adjustment problems.
- Room poll: fleet reduction, any type: yes, 25; no, 6.

COPPER RIVER AND PRINCE WILLIAM SOUND

- It's not a problem.
- There are 150 too many permits; increase efficiency; 250 boats can provide adequate harvest.
- Examine other harvest opportunities for gillnetters.
- Examine local economy ramifications.
- Exclusive area/vessel registration opposition may make the other 50% of the seine fleet active.
- Where will the buyout money come from?
- Reallocation of fish by BOF is still possible.
- We need to look at the up/down value of fishery, which is improving.

KODIAK/COOK INLET/CHIGNIK

- We don't need a buy-out program. Let the free market control the number of active permits.
- Interested in exploring and improving efficiency and quality.
- Caution/concern needs to be exercised that one regional solution should not affect other areas.
- Is one of the proposed options better than what happens now when individuals don't fish their permits?
- Clean up the statute to allow fishermen to conduct their own buyback program
- No consolidation. Pursue diversification for more opportunities
- Promote efficiency (processing and harvesting)
- This group doesn't want to explore any option that reduces permits.

Quotes from Industry and Public Relations

Karl Kircher, Kenai Peninsula Fishermen's Association

"We need to relate to the public first, so people will relate to us."

Glenn Reed, Pacific Seafood Processors Association

"As the Lieutenant Governor said, commercial fishing is the state's biggest business, but you would never know it in Juneau. We need an industry day or week in Juneau every year."

Bruce Schactler, United Salmon Association

"Better information needs to be shared. We are trying to improve through the upgrading of our frozen salmon. We would like to collect all the salmon information from ADF&G and Revenue and combine them into one report."

John Sevier, North Pacific Processors

"ASMI has managed to sell itself to the entire state. As board members, we have spread the market information that we received in our packet."

John Sund, NorQuest Seafoods

"Issues that need to be worked on are our relationship between our industry and the legislators. We harvest a common property fishery that needs to be funded through public funding. The budget for all the resource departments was less than keeping prisons working."

Challenge Statements

Challenge statements were made from the floor to motivate industry participants toward positive growth and change. They are not to be construed as directives or criticism.

QUALITY

- Challenge all processors in Alaska to use ASMI quality standards.
- Challenge industry/state to pursue third party verification of quality.
- Challenge processors and ASMI to identify all the nutrient components of each species by region.
- Challenge processors to establish price incentives to fishermen who consistently deliver quality fish.
- Challenge processors and direct marketers to participate in an industry advertising group for DCED's quality seal project.

PUBLIC AND INDUSTRY RELATIONS

- Challenge the organizers of the next Salmon Forum to have a legislative panel here.
- Challenge the whole industry to get politically united.
- Challenge fishing organizations to inform all permitholders in your region who their legislators are and get them to contact them.
- Challenge harvesters to work together to raise the tide for all fishermen and put regional differences aside.
- Challenge harvesters and processors to organize an industry fly-in to Juneau on a consistent basis.
- Challenge all industry to get Anchorage/Railbelt permitholders politically involved.
- Challenge industry to feed into education programs like seafood processing at Sheldon Jackson.
- Challenge fishermen and processors to let legislature know we are an industry important to the state, especially urban Alaska.
- Challenge regional marketing efforts to focus dialogue between processor, harvester, and managers.

MARKETING

- Challenge major buyers of Alaska salmon to put together aggressive marketing campaigns for the domestic market that involves fishermen. Cooperate with a specific plan.
- Challenge ASMI to do mass media campaigns in the U.S., at the Superbowl, etc.
- Challenge ASMI and industry to pursue both statewide generic and regional marketing; avoid pitching one region against another, avoid confusing consumers.
- Challenge industry to work together to address the rise in environmental concerns and dispel the myth of Alaska endangered salmon.
- Challenge processors/fishermen/state to increase all marketing dollars.
- Challenge industry/ASMI to promote acceptance of frozen products.
- Challenge industry (processors and major buyers) to put together some aggressive campaigns with fishermen, especially for the domestic market.

Goal Development Session

QUALITY

- ADF&G and BOF should manage for quality.
- ASMI should continue its statewide quality emphasis.
- Harvesters and processors should promote quality initiatives on a regional basis.
- Encourage use of ASMI standards; premium brand stickers should be statewide; pursue quality seal project.
- Establish price incentives for quality.
- Have regional pre-season meetings with industry and ADF&G to set goals for quality.(industry and government)
- Arrange state assistance for brokerage function for higher quality fish.
- Use quality tail tags in whole fish.
- In five years, establish a leak-free quality pipeline.

INDUSTRY AND PUBLIC RELATIONS

- Form a coalition of UFA, Seafood Council, Fair Market/ASPA/PSPA for an industry-wide united voice in Juneau and Anchorage.
- Organize a yearly industry fly-in to the legislature; educate local politicians too.
- Host a virtual Salmon Forum on the internet as an ongoing chat room for industry, monitored by the state.
- Hold the next Salmon Forum in Juneau to increase legislature attendance.
- Fund a complete economic analysis of the industry.
- Create networks so phone calls and letters come in regularly.
- Support a strong budget for ADF&G.
- Seafood industry leaders should work with legislators district by district to educate them.
- Get baseline information on resource, price, employment.

FREIGHT

- Create a web site that serves brokerage functions and freight assistance/availability.
- Arrange pre-season regional meetings w/ ADF&G and freight carriers so that openings can be better timed with freight schedules.
- Follow-up on ideas for extending shelf-life.

MARKETING

- ASMI should continue to promote wild and natural; tell the people story.
- Push for national legislation on sustainability and truth-in-labeling.
- Promote regional salmon marketing in a manner that does not encourage fractionalization.
- Support direct marketing loans to fishermen.
- Use the Federal Seafood Promotional Act if it passes.
- Consider using Capital Construction Funds for marketing.
- Focus on health benefits.
- Tell the story of fishing families and communities.
- Achieve organic certification for wild seafood.

Sounding Board Closing Remarks

Lieutenant Governor Fran Ulmer

"There are not a lot of legislators who know about your industry and that is a problem. You are not understood or misunderstood, just ignored, and that poses a threat. The two overriding needs I heard expressed here are (1) A statewide industry association that brings together the fishermen, processors, etc.; (2) A regional industry association that can work on regional transportation problems, meet with ADF&G, regional marketing, etc. But let's not forget that without management, you won't have a fishery. The way the fisheries budgets are going, you will not have a fishery due to the lost opportunities from conservative management. It is not going to stop. The commercial fisheries budget is all general funds and will be cut."

Representative Alan Austerman

"I agree that you need to be united. You have come a long way, but I have not seen a united harvester group. I heard a sportfish legislator comment, 'No problem. They are going to kill each other.' The size of Alaska dictates that you have to come together."

Bob Waldrop, NorQuest Seafoods

"This is my second Forum directly participating, the third indirectly. The first had an adversarial tone, the second had a lot of speeches, and now we are listening to each other and communicating. Nonetheless the political voice needs to be addressed. We have the organizations; we need to support them and participate."

Jerry McCune, United Fishermen of Alaska

"Quality begins at home. You can exert peer pressure to encourage others to deliver quality. The Board of Fisheries is killing us. They will not address quality issues."

Don Giles, President, Icicle Seafoods

"The biggest opportunity that I heard today was in the transportation. I learned that about 30% of the shipping costs is the insurance to cover lost cargo. We could find a better way."

Sandro Lane, Taku Fisheries

"The farmed salmon industry has been present at all our forums. They are here giving us advice. We should look at their successes and see if we have common interests. The challenge is to get more marketing rather than fight them."

Dan Albrecht, Yukon River Drainage Fisheries Association

"Farmed salmon does not have a story. They cannot talk about their industry like we can. If the farmed salmon industry gets an organic label and we can't, they've won. The challenge and priority is qualifying as certified organic."

Bruce Schactler, United Salmon Association

"I challenge harvesters and processors to get together and get the fishermen more involved in gaining some efficiency."

Salmon Forum 99 Participants

PROCESSING SECTOR

Alaska Dried Foods/Duff Mitchell
Alaska Seafood Co./J. Richard Hand
Alaska Seafood International/Keld Anderson,
Jim Daniels, Neal Forde,
Jin Kim
All Alaskan Seafoods/Jay Anderson
Banner Fish Co./Dan Farren
Centurion Seafoods/Glen Carroll
Brooks Alaskan Seafoods/Michael Brooks
Deep Creek Custom Packing/Jeff Berger
Glacier Seafoods/Kim Kenry
Icicle Seafoods/Don Giles, Kris Norosz
J&J Fishery/John Ure
Maserculiq Fish Co./Lloyd Stiassny
Nelbro Packing/Michael Lee
Norton Sound Seafoods/Thomas Magwire,
Don Stiles
Norquest Seafoods/Shawn Alexander, John
Sund, Grant Thompson,
Bob Waldrop
Northern Victor Seafoods/Peter Kuttel
North Pacific Processors/Ken Rohmfeld
Ocean Beauty Seafoods/Bill Terhar
Pacific Salmon Co./John McCallum
Pac-Man Fisheries/Denny Thompson
Prime Select Seafoods/Jeff Bailey
Raymar Inc./Gene Anderson
Sahalee of Alaska Inc./Bill Haller
Saratoga Fish Co./Brent Western
Sea Hawk Seafoods/Terry Bertosen
Sitka Sound Seafoods/John Barley,
John Sevier
Taku Fisheries/Sandro Lane
Trident Seafoods/Doug Donegan,
Bart Eaton
Tyson Seafoods/Henry Mitchell
Uki Fisheries Inc./Jeff Green
Unisea Inc./Julie Cisco
Wards Cove Packing/Winn Brindle, David
Forbush, Geoff Penrose

RETAIL/FOOD SERVICE

Jack Amon/Marx Bros. Cafe
Joe Conner/BAMA Sea
Skip Winfree/10th & M Seafoods

SUPPORT SERVICES

Dave Beach/Movers Inc.
Phillip Brady/ICC Airways
Margi Cantrell/McGroup Inc.
John Cleveland/SeaLand Services
Elaine Grady/Northern Air Cargo
Bette Ross/Alaska Airlines
Kurt Stoner/TOTE
Rich Wilson/Anchorage Int'l Airport

FISHERMEN

Governor Jay Hammond
Bill Aberle
Steve Aberle
Kevin Adams
Roger Aspelund
John Bailey
Chris Berns
Chris Cameron
Jerald Eidem
Paul Frost
Jack Keane
Mac Meiners
Moses Okitkun
Alan Otness
Jamie and Teresa Ross
Lynn Shawback
Larry Vander Lind
Ray Wadsworth
Henry and Jimmy Wassily
David Wilder

FISHING AND ORGANIZATIONS

Alaska Independent Fishermen's Marketing
Association/David Harsila, Mike Lozano,
Fred Pike
Alaska Trollers Association/Dick Hoffman,
Dale Kelley
Aleutian Seafood Processors Association/
Stephanie Madsen
At-Sea Processors Association/
Heather McCarty
Bering Sea Fishermens Association/
Jude Henzler
Coastal Communities Coalition/
Thomas Abel
Copper River Salmon Producers Association/
RJ Kopchak, Bill Webber Jr.
Cordova District Fishermen United/Sue
Aspelund, Torrie Baker, Bob Martinson
Fair Market Coalition/Linda Kozak
KVichak Setnetters Association/
Al Bauman
Pacific Seafood Processors Association
Glenn Reed
Southeast Alaska Seiners/David Bedford
United Fishermen of Alaska/Theo Matthews,
Jerry McCune
United Salmon Association/
Bruce Schactler
Yukon Delta Salmon Marketing Cooperative/
Pio Park
Yukon River Drainage Fisheries Association/
Dan Albrecht

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HATCHERIES

Douglas Island Pink & Chum/Jon Carter
Kodiak Regional Aquaculture Association/Oliver Holm
Northern Southeast Regional Aquaculture Assoc./Pete Esquiro
Prince William Sound Aquaculture Corporation/Bud Perrine
Southern Southeast Regional Aquaculture Association/Gary Freitag
Valdez Fisheries Development Association/Patrick Day, Mike Wells

LEGISLATORS & STAFF

Representative Alan Austerman
Representative Eldon Mulder
Representative Jerry Sanders
Representative Harold Smalley
Senator Kim Elton
Senator Lyman Hoffman
Senator Georgianna Lincoln/
Gordie Williams

STATE OF ALASKA

Lieutenant Governor Fran Ulmer
Office of the Governor/Bob King,
John Sisk, George Ascott
Office of the Lieutenant Governor/
Sally Rue
Alaska Science & Technology Foundation/Jamie Kenworthy, Bob Chaney, Craig Wiese
Alaska Seafood Marketing Institute/Barbara Belknap, Jim Kallander, Laura Fleming,
Randy Rice
Commercial Fisheries Entry Commission/
Commissioners Bruce Twomley, and
Mary McDowell, Ben Muse,
Kurt Schelle
Dept. of Commerce & Economic Development/
Commissioner
Debby Sedwick,
Deputy Commissioner Jeff Bush
Div. of Investments/Martin Richard,
Greg Winegar
Div. of Trade & Development/Teri Camery,
Karen Fenaughty, Kate Troll,
Rudy Tsukada, Greg Wolf
Dept. of Community & Regional Affairs/Bernie Topzy, Glenn Haight
Dept. of Environmental Conservation/Michael Kean, Manny Soares
Dept. of Fish & Game/Commissioner Frank Rue,
Geron Bruce, Jeff Hartman
Slim Morstad, Jeri Museth, Jeff Regnart
Dept. of Labor/Commissioner Ed Flanagan,
Melody Dosier,
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OTHER INSTITUTIONS

Alaska Fisheries Development Foundation/
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Alaska Industry Network Corporation/Lynn Whitten
Commercial Fisheries and Agriculture Bank/
Ed Crane
Copper River Watershed Project/Jack Hopkins, Kristin Smith
Institute of Social and Economic Research/
Gunnar Knapp
Fisheries Industrial Technology Center/Scott Smiley
Sheldon Jackson College Seafood Technology Program/Liz Brown
University of Alaska Marine Advisory Program/Donald Kramer
University of Alaska Sea Grant Program/Kurt Byers
University of Alaska-Southeast/
Milo Atkison
World Trade Center/Kristin O'Hara

MUNICIPALITIES AND NATIVE ORGANIZATIONS

Anchorage Office of the Mayor
Larry Anderson
Bristol Bay Borough/Brian Shawback
Bristol Bay Native Association/
Andy Golia
Bristol Bay Native Corporation/
Hjalamar Olson
City of Emmonak/Douglas Redfox
City of Mountain Village/Harry Wilde Sr.
City of Nightmute/Simeon Agnus
City of Nome/John Handelund
City of Quinhagak/Robert Roberts
City of Sand Point/Martin Gundersen
City of Yakutat/Tom Maloney, Mayor
Koniaq Inc./Freddie Christianson
Lake & Peninsula Borough/Myra Olson,
Hazel Nelson, Walt Wrede
Lower Kuskokwim Economic Development Council/Carl Berger
Southwest Municipal Conference/
Glen Vernon
Ugashik Traditional Village/Roy Matsuno

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CDQ ORGANIZATIONS

Aleutian Pribilof Island Community
Development Assoc./Justine Gunderson,
Joe Kyle
Bristol Bay Economic Development
Corporation/Robin Samuelsen
Coastal Villages Region Fund/Phillip Daniel,
Patrick Kelly, Jack Stewart
Norton Sound Economic Development
Corporation/Eugene Asicksick,
Don Stiles
Yukon Delta Fisheries Development
Association/Julie Anderson

MEDIA

Alaska Fishermens Journal/Bob Tkacz, John
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Alaska Fish Factor/Laine Welch
Anchorage Daily News/Helen Jung
Business News/Margaret Bauman

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Chip Bissel
Bill Crump
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Denny Kelso
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